
SENATE BILL 6774

State of Washington

60th Legislature

2008 Regular Session

By Senators Kastama, Shin, and Rockefeller

Read first time 01/23/08. Referred to Committee on Economic Development, Trade & Management.

1 AN ACT Relating to industry clusters; and amending RCW 43.330.090.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

3 **Sec. 1.** RCW 43.330.090 and 2007 c 228 s 201 are each amended to
4 read as follows:

5 (1) The department shall work with private sector organizations,
6 industry and cluster associations, federal agencies, state agencies
7 that use a cluster-based approach to service delivery, local
8 governments, local associate development organizations, and higher
9 education and training institutions in the development of industry
10 cluster-based strategies to diversify the economy, facilitate
11 technology transfer and diffusion, and increase value-added production.
12 The industry clusters targeted by the department may include, but are
13 not limited to, aerospace, agriculture, food processing, forest
14 products, marine services, health and biomedical, software, digital and
15 interactive media, transportation and distribution, and
16 microelectronics. The department shall, on a continuing basis,
17 evaluate the potential return to the state from devoting additional
18 resources to an industry cluster-based approach to economic development
19 and identifying and assisting additional clusters. The department

1 shall use information gathered (~~(in each service delivery region)~~) by
2 each regional office in formulating its industry cluster-based
3 strategies and shall assist local communities in identifying regional
4 industry clusters and developing industry cluster-based strategies.

5 ~~(2)((a) The department shall promote, market, and encourage growth~~
6 ~~in the production of films and videos, as well as television~~
7 ~~commercials within the state; to this end the department is directed to~~
8 ~~assist in the location of a film and video production studio within the~~
9 ~~state.~~

10 ~~(b) The department may, in carrying out its efforts to encourage~~
11 ~~film and video production in the state, solicit and receive gifts,~~
12 ~~grants, funds, fees, and endowments, in trust or otherwise, from~~
13 ~~tribal, local, or other governmental entities, as well as private~~
14 ~~sources, and may expend the same or any income therefrom for the~~
15 ~~encouragement of film and video production. All revenue received for~~
16 ~~such purposes shall be deposited into the film and video promotion~~
17 ~~account created in RCW 43.330.092.~~

18 ~~(3))~~ In assisting in the development of regional and statewide
19 industry cluster-based strategies, the department's activities shall
20 include, but are not limited to:

21 (a) Facilitating regional focus group discussions and conducting
22 studies to identify industry clusters, appraise the current information
23 linkages within a cluster, and identify issues of common concern within
24 a cluster;

25 (b) Supporting industry and cluster associations, publications of
26 association and cluster directories, and related efforts to create or
27 expand the activities of industry and cluster associations;

28 (c) Administering a competitive grant program to fund activities
29 designed to further regional cluster growth. In administering the
30 program, the department shall work with an industry cluster advisory
31 committee with equal representation from the workforce training and
32 education coordinating board, the state board for community and
33 technical colleges, the employment security department, business, and
34 labor.

35 (i) The industry cluster advisory committee shall recommend
36 criteria for evaluating applications for grant funds and recommend
37 applicants for receipt of grant funds.

1 (ii) Applicants must be a nonprofit industry or industry cluster
2 association and must include: (A) Organizations from at least two
3 counties; (B) an academic or research institution; (C) a public agency
4 or local government; and (D) participants from the local business
5 community. (~~Eligible organizations include, but are not limited to,~~
6 ~~local governments, economic development councils, chambers of commerce,~~
7 ~~federally recognized Indian tribes, workforce development councils, and~~
8 ~~educational institutions.~~)

9 (iii) Applications must evidence financial participation of the
10 partner organizations.

11 (iv) (~~Priority shall be given to applicants which will use the~~)
12 Grant funds must be used to: (A) Build linkages and (~~joint projects,~~
13 ~~to~~) mechanisms for information sharing among cluster members; (B)
14 develop common resources and common training(~~, and to~~); and (C)
15 develop common research and development projects or facilities.

16 (v) The maximum amount of a grant is one hundred fifty thousand
17 dollars.

18 (vi) A maximum of (~~one~~) three hundred thousand dollars total can
19 go to King, Pierce, Kitsap, and Snohomish counties combined.

20 (vii) Five percent of funds received for the grant program shall
21 be used by the department, with the industry cluster advisory
22 committee, to: (A) Identify and share with grant recipients the public
23 and private resources available that could be more intensively devoted
24 to assist industry clusters; and (B) identify mechanisms by which
25 public resources can be coordinated and more efficiently delivered to
26 support the growth and competitiveness of industry clusters, including
27 consistent timing of grant applications, the development of common
28 criteria for receipt of grants, and the establishment of grant review
29 committees with overlapping membership. No more than ten percent of
30 funds received for the grant program may be used by the department for
31 administrative costs.

32 (~~(4)~~) (3) As used in (~~subsection (3) of~~) this section,
33 "industry cluster" means a geographic concentration of interdependent
34 competitive firms that do business with each other(~~—"Industry~~
35 ~~cluster" also includes firms that sell~~), selling inside and outside of
36 the geographic region, as well as support organizations, institutions,
37 and firms that supply research and technical assistance, training

1 services, information services, raw materials, components, and business
2 services.

3 (4)(a) The department shall promote, market, and encourage growth
4 in the production of films and videos, as well as television
5 commercials within the state; to this end the department is directed to
6 assist in the location of a film and video production studio within the
7 state.

8 (b) The department may, in carrying out its efforts to encourage
9 film and video production in the state, solicit and receive gifts,
10 grants, funds, fees, and endowments, in trust or otherwise, from
11 tribal, local, or other governmental entities, as well as private
12 sources, and may expend the same or any income therefrom for the
13 encouragement of film and video production. All revenue received for
14 such purposes shall be deposited into the film and video promotion
15 account created in RCW 43.330.092.

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